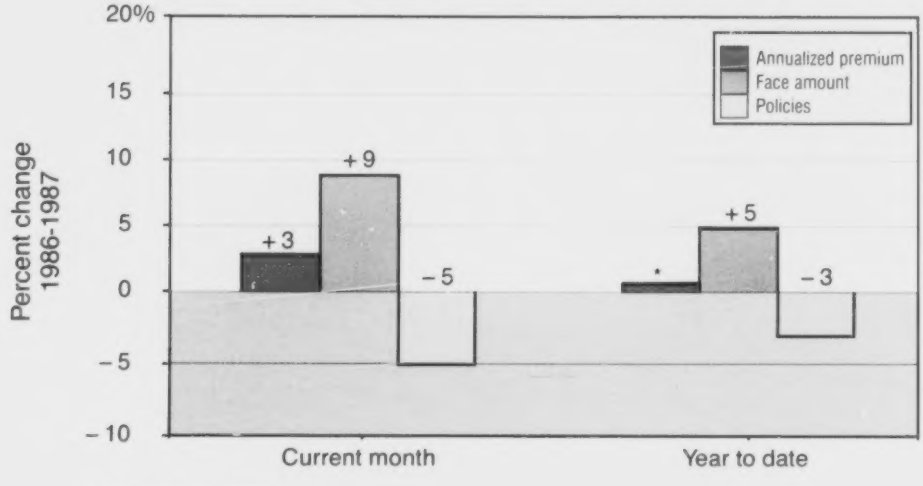
9/30/87 A6225-2

I/R Code 47.40
July 1987

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Growth Rates for 35 Companies

Comparisons with Last Year

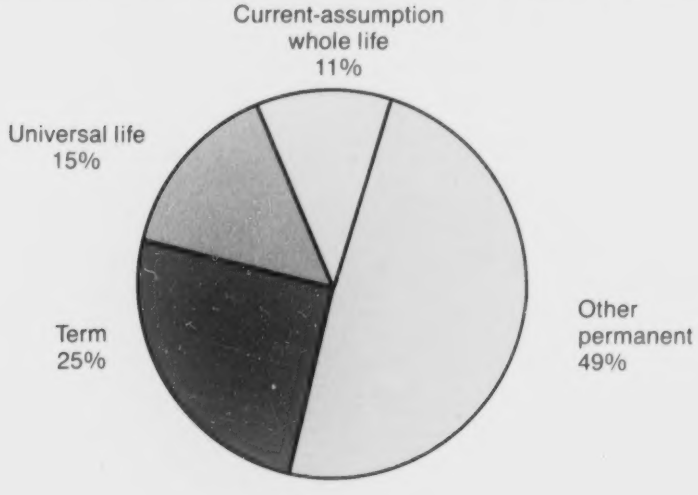


*Less than ½ of 1 percent

Individual Products

Annualized Premium Market Share by Product

18 Companies Representing 54 Percent of July Sales



	Year-to-date
Term	25%
UL	14%
CAL	13%
Perm	48%

LIMRA INTERNATIONAL

Profit from our research.

Individual Products (cont.)

Comparisons with Last Year

Ratio 1987/1986

		Annualized premiums	Face amount	Number of policies
Term (17 cos.)	Month	112%	110%	109%
	Year to date	113%	114%	107%
Universal life (18 cos.)	Month	127%	126%	123%
	Year to date	117%	113%	116%
Current-assumption whole life (7 cos.)	Month	83%	80%	98%
	Year to date	92%	88%	103%

Policy Characteristics by Product

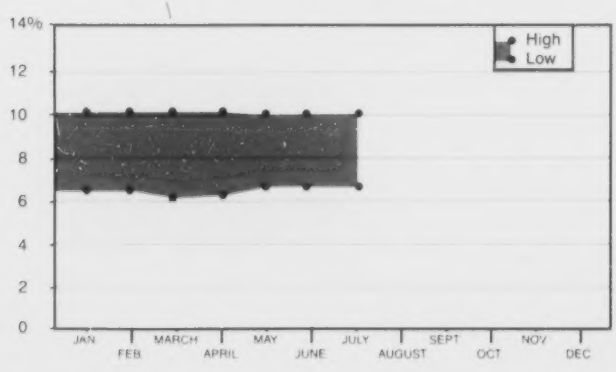
		Premium per $1,000	Average size policy	Premium per policy
Term (17 cos.)	Month	$3.38	$138,656	$469
	Year to date	$3.43	$138,830	$477
	Year-to-date ratio	99%	107%	106%
Universal life (18 cos.)	Month	$9.09	$ 78,475	$713
	Year to date	$9.21	$ 76,280	$703
	Year-to-date ratio	104%	97%	101%
Current-assumption whole life (7 cos.)	Month	$5.05	$ 58,774	$297
	Year to date	$4.97	$ 59,983	$298
	Year-to-date ratio	104%	85%	89%
Total sales (35 cos.)	Month	$6.81	$ 80,839	$550
	Year to date	$6.87	$ 76,232	$523
	Year-to-date ratio	96%	108%	103%

Universal Life

Interest Rates This Month

Median	8.9%
Number of cos. reporting rates	15
Number of plans reported	28
Number of new plans	3
Number of plans dropped	0
Number of plans showing . . .	
No change	18
Increases	5
Average increase	0.2%
Decreases	2
Average decrease	0.3%

1987 Interest Rate Range



I/R Code 4.30
July 1987

QUARTERLY SURVEY OF INDIVIDUAL ANNUITIES IN CANADA

Second Quarter Sales

Accumulation Annuities

	RRSPS (Registered Retirement Savings Plans)			Nonregistered		
	1986	1987	87/86	1986	1987	87/86
Number of new contracts (17 cos.)						
1st quarter	70,096	64,801	92%	5,177	6,074	117%
2nd quarter	24,463	22,816	93	3,778	5,659	150
3rd quarter	12,922			3,098		
4th quarter	19,352			5,035		
Year total	126,833			17,088		
Premiums* (19 cos.)						
1st quarter	$ 557,464,830	$660,016,892	118%	$ 82,611,041	$131,589,541	159%
2nd quarter	266,137,696	326,963,859	123	55,559,241	113,503,447	204
3rd quarter	195,894,444			61,726,421		
4th quarter	265,599,896			98,271,616		
Year total	$1,285,096,866			$298,168,319		
Number of payments* (11 cos.)						
1st quarter	224,852	231,872	103%	30,505	32,203	106%
2nd quarter	145,718	240,028	165	29,478	56,185	191
3rd quarter	141,689			29,866		
4th quarter	152,455			31,847		
Year total	664,714			121,696		

*New and existing contracts

Payout Annuities – Life

	RRSP Income			Nonregistered		
	1986	1987	87/86	1986	1987	87/86
New contracts (17 cos.)						
1st quarter	5,970	5,286	89%	892	834	93%
2nd quarter	6,639	3,724	56	927	843	91
3rd quarter	3,472			961		
4th quarter	3,820			1,284		
Year total	19,901			4,064		
Premiums (19 cos.)						
1st quarter	$174,609,522	$158,561,557	91%	$ 28,453,373	$50,891,264	179%
2nd quarter	222,599,094	121,431,733	55	29,975,052	44,373,827	148
3rd quarter	127,053,470			43,192,830		
4th quarter	124,784,561			45,424,204		
Year total	$649,046,647			$147,045,459		

	RRSP Income by Source					
	Internal transfers			External Money		
	1986	1987	87/86	1986	1987	87/86
Premiums (10 cos.)						
1st quarter	$18,751,989	$21,900,921	117%	$ 55,963,834	$40,553,130	72%
2nd quarter	17,031,781	28,587,254	168	113,634,117	35,667,159	31
3rd quarter	14,438,612			52,709,625		
4th quarter	13,658,381			51,165,833		
Year total	$63,880,763			$273,473,409		

LIMRA INTERNATIONAL

Profit from our research.

Payout Annuities – Certain

	RRSP Income			Nonregistered		
	1986	1987	87/86	1986	1987	87/86
New contracts (15 cos.)						
1st quarter	213	165	77%	231	312	135%
2nd quarter	292	130	45	245	356	145
3rd quarter	121			250		
4th quarter	242			317		
Year total	868			1,043		
Premiums (17 cos.)						
1st quarter	$ 7,135,622	$5,442,542	76%	$10,765,611	$22,805,943	212%
2nd quarter	10,632,331	5,445,771	51	10,926,247	18,196,164	167
3rd quarter	4,631,645			14,933,640		
4th quarter	9,917,799			16,937,779		
Year total	$32,317,397			$53,563,277		

	RRSP Income by Source					
	Internal transfers			External money		
	1986	1987	87/86	1986	1987	87/86
Premiums (10 cos.)						
1st quarter	$ 542,116	$ 639,958	118%	$ 4,219,821	$2,587,771	61%
2nd quarter	680,099	2,722,592	400	7,961,139	1,493,475	19
3rd quarter	189,331			2,592,569		
4th quarter	576,099			5,049,250		
Year total	$1,987,645			$19,822,779		

Registered Retirement Income Funds

	New contracts (9 companies)			Premiums (10 companies)		
	1986	1987	87/86	1986	1987	87/86
1st quarter	129	755	585%	$ 5,871,063	$46,043,528	784%
2nd quarter	90	642	713	5,368,796	34,063,563	634
3rd quarter	112			6,237,044		
4th quarter	440			24,305,777		
Year total	771			$41,782,680		

Contributors

Canada Life
Confederation Life
Crown Life
Great-West Life
Imperial Life of Canada
Industrielle – Alliance Vie
La Laurentienne
London Life
Manufacturers Life
Metropolitan Life
Mutual Life of Canada
National Life of Canada
New York Life
North American Life (Canada)
Prudential Life of England
Prudential of America
Standard Life (Canada)
State Farm Life
Sun Life of Canada
Transamerica Occidental Life
Zurich Life of Canada

About the Survey

This survey shows the Canadian annuity sales activity of 21 companies. Data listed for previous quarters have been revised to incorporate revisions in company data and to include previously unavailable data.

The data are separated into accumulation and payout annuities. The accumulation section shows the number of payments and premiums on new and existing contracts for RRSP and nonregistered annuities, as well as the number of new contracts. The payout section is divided into life and certain only annuities and registered retirement income funds (RRIFs). New contracts and premiums paid are shown for RRSP income and nonregistered contracts, as well as for RRIFs. The split between internal transfers and external money is shown for companies that are able to provide the source of RRSP income premiums.

Some contributors are unable to provide data for all categories; therefore, each category lists the number of contributors able to provide data.

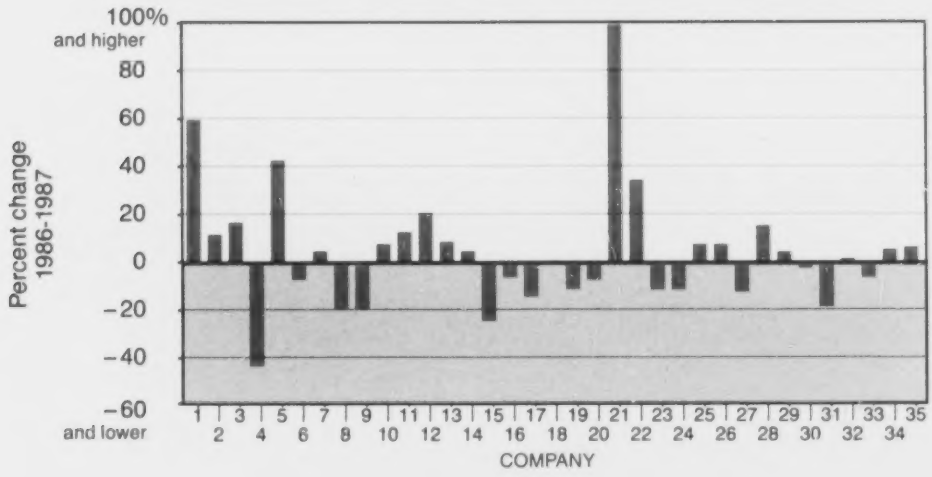
Contact: Michael D. Bourque, project director
– Manpower and Market Research

Copyright © 1987

Printed in U.S.A.

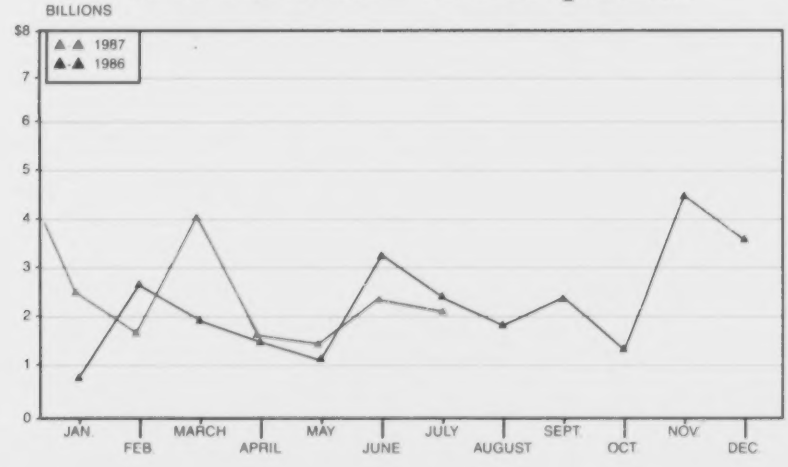
Growth Rates by Company

Annualized Premium Growth – Year to Date

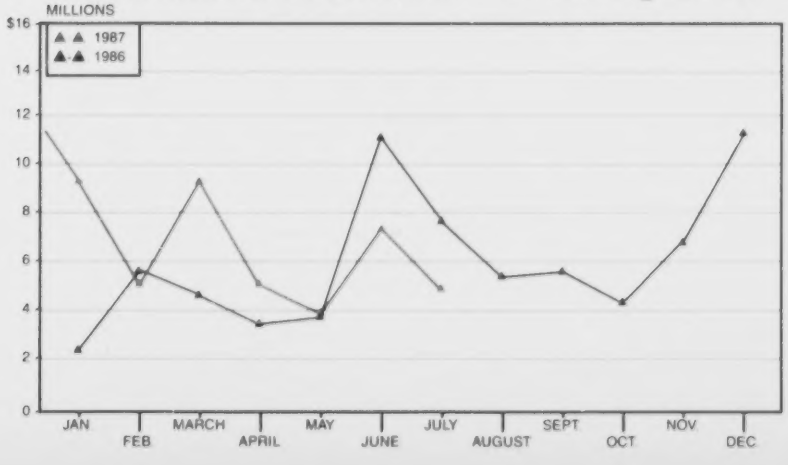


Group Sales

Face Amount – 15 Companies



Annualized Premium – 11 Companies



July Sales

	Annualized premium (000)		Face amount (000)		Number of policies	
	1986	1987	1986	1987	1986	1987
Ordinary						
Month	$ 40,230	$ 41,417	$ 5,604,721	$ 6,085,643	79,128	75,281
Year to date	$283,276	$284,083	$39,486,642	$41,375,758	559,698	542,760
Group						
Month	$ 7,815	$ 5,199	$ 2,371,312	$ 2,068,645	–	–
Year to date	$ 38,349	$ 45,289	$13,803,773	$15,209,499	–	–

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 35 companies plus six subsidiary companies operating in Canada. The contributors represent 78 percent of the 1985 Canadian ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these companies cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 15 companies operating in Canada. The contributors represent 58 percent of the 1985 Canadian volume of new or amended group contracts.

Contact: Joy I. Hansen, project director
Darlene A. Schnittker
Michael D. Bourque
—Manpower and Market Research

Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

Contributors

Ætna Canada
Allstate Life of Canada
Assumption Mutual Life
Assurance-Vie Desjardins
Canada Life*
COLONIA Life†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Equitable Life of Canada
Financial Life of Canada†
Great-West Life*†
Imperial Life of Canada*
Industrielle-Alliance Vie*† (includes North West Life of Canada)
Knights of Columbus†
La Laurentienne
Laurier Life†
London Life*
Manufacturers Life†
Metropolitan Life* (includes Metropolitan Life of Canada)
Mutual Life of Canada*†
National Life of Canada*
New York Life*† (includes New York Life of Canada)
North American Life (Canada)
Prudential of England*† (includes Prudential Life of England)
Prudential of America*†
Royal Life (Canada)† (includes Royal Life of Canada)
Seaboard Life
La Solidarite
State Farm Life†
Sun Life of Canada*†
Transamerica Occidental Life† (includes Transamerica Life of Canada)
L'Union-Vie†
Zurich Life of Canada†

*Company contributes both ordinary and group data
Companies contributing group data only: Ætna-Vie and La Sauvegarde
†Company is included in product market share chart

Copyright © 1987

Printed in U.S.A.